

Department of Justice

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JUSTICE DEPARTMENT AND FEDERAL TRADE COMMISSION ANNOUNCE EXPEDITED ANTITRUST PROCEDURE AND GUIDANCE FOR POST-HURRICANE RELIEF EFFORTS

Agencies Will Respond to Proposed Business Plans Within Five Days

WASHINGTON, D.C. – The Department of Justice and the Federal Trade Commission (FTC) today announced antitrust guidance and an expedited procedure for collaborations of businesses working to rebuild communities affected by Hurricanes Katrina and Rita.

Under the expedited procedure for proposed business conduct relating to the aftermath of Hurricanes Katrina and Rita, the agencies would state their enforcement intentions within five business days of receiving the proposal.

The Department of Justice's Antitrust Division and the FTC already have programs in place to provide guidance to businesses concerned about the legality of proposed conduct under the antitrust laws. The Department's "Business Review Letter" procedure, and the FTC's "Staff Advisory Opinion" procedure, allow any firm, individual, or group of firms or individuals to submit a proposed business plan or activity to the agencies and receive a statement whether the agencies will challenge the activity under the antitrust laws. That process typically entails at least a 90-day review period prior to the issuance of the agency's guidance.

"The Department of Justice recognizes that there may be an extraordinary need for businesses to receive an expedited response from the Antitrust Division about its enforcement intentions so that they can move quickly to respond in areas affected by Hurricanes Katrina and Rita," said Thomas O. Barnett, Acting Assistant Attorney General in charge of the Department's Antitrust Division. "Joint

ventures and other collaborative arrangements may be helpful in rebuilding after the devastation caused

by the hurricanes, and the Antitrust Division is committed to helping to foster the recovery efforts."

The antitrust laws accommodate procompetitive collaborations among competitors, but the

agencies have reiterated that they would not tolerate price-fixing and market allocation agreements by

competitors seeking to prey on those affected by Hurricanes Katrina and Rita.

"We recognize that our nation must act expeditiously in our hurricane recovery efforts, and we

commit to rapidly reviewing collaborations on relief projects," said FTC Chairman Deborah Platt

Majoras. "We will, of course, continue to enforce aggressively against antitrust violators and those who

use fraud to prey on consumers."

Under the expedited procedure, an applicant would have to provide the Department or the FTC

by fax, e-mail, or letter a written description of the proposal, including the parties that would be

involved in the effort or activity and the name and contact information of a person from whom the

agencies could obtain additional information. This expedited procedure is for use solely for post-

Hurricane relief efforts and may be invoked at the option of the requestor in lieu of the agencies'

standard procedures.

Requests to the Department of Justice should be submitted to the Hurricane Business Review

Office in writing via fax at 202-514-8726, e-mail at Hurricane.Biz.Review@usdoj.gov or mail to

Hurricane Business Review Office, 950 Constitution Avenue, N.W., Room 3109, Washington, D.C.

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